

INFORMATION BULLETIN #18

INCOME TAX

SEPTEMBER 2007

(Replaces Information Bulletin #18, dated January 2003)

DISCLAIMER: Information Bulletins are intended to provide nontechnical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate statutes, rules, and court decisions. Any information that is inconsistent with the law, regulations, or court decisions is not binding on either the Department or the taxpayer. Therefore, information that is provided in this Bulletin should only serve as a foundation for further investigation and study of the current law and procedures related to its subject matter.

SUBJECT: Instruction for Obtaining Extensions of Time to File Indiana Individual Income Tax Returns

REFERENCE: IC 6-8.1-6-1; IC 6-8.1-10-2.1

INTRODUCTION

This bulletin outlines the procedures for obtaining an extension of time to file the Indiana individual income tax return, Form IT-40 or Form IT-40PNR.

I. AUTOMATIC EXTENSION OF TIME TO FILE, NOT TO EXCEED 60 DAYS

Form IT-9, Application for Automatic Extension of Time to File Indiana Forms IT-40 or IT-40PNR, is used to obtain an automatic 60 day extension of time to file the Indiana resident or nonresident return. Any taxpayer who wishes to request an extension of time to file, and who expects a payment to be due with their Indiana return, must complete and file the Form IT-9 voucher on or before the original due date of the Indiana individual tax return. If an application for extension is filed, at least 90 percent of the state and/or county tax due for the entire tax year must have been paid by the taxpayer and/or withheld by the taxpayer's employer.

The payment made with Form IT-9 should be claimed as an estimated tax credit at the time of filing Form IT-40 or Form IT-40PNR. This is only an extension of time for filing your return. *This is not an extension of time to pay any state and/or county tax due.*

Form IT-9 is not required to be filed if there is no tax due on the Indiana individual income tax return.

If you file a federal extension, the Indiana Department of Revenue will accept the extension if a copy is attached to your return at the time of filing. You will have 30 days beyond the federal extension period in which to file your Indiana return.

II. PENALTY AND INTEREST CHARGES

Form IT-9 or a federal extension does not extend the due date for the payment of the tax. A penalty may be assessed on any state or county tax paid after the due date of the return. However, a penalty will not be assessed if the balance due on the tax return is:

1. not in excess of 10 percent of the amount of state and county tax due on the tax return, and;
2. paid with the return.

Any penalty that is due with the filing of your return is calculated at 10 percent of the tax that is owed with the return or \$5.00, whichever is greater. Any penalty due with the return should be reported on the Form IT-40 or Form IT-40PNR.

Interest will be charged on any amount due with your late filed return and should be calculated from the original due date of the return until the tax is paid. Interest is charged even though an extension has been granted. The interest rate changes annually. Please refer to Departmental Notice # 3. The interest should be added to the amount shown as due on the tax return.

Copies of returns and schedules are available on the Department's Web site at www.in.gov/dor/taxforms

A handwritten signature in black ink that reads "John Eckart". The signature is fluid and cursive, with a large loop at the beginning of the "J" and a stylized "Eckart".

John Eckart
Commissioner